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SUBJECT: OSLO MEETING WITH SPECIAL ENVOY HANSSEN-BAUER

REF: 8/1/06 (C) GOWER EMAIL TO CANUEL

Classified By: Acting Pol/Econ Counselor David Henry, Reasons 1.4 (b) a  $\operatorname{nd}$  (d)

11. (C) On August 2, 2006 we met with Jon Hanssen-Bauer, Special Envoy to Sri Lanka at the MFA and Sri Lanka Desk Officer Sondre Bjotveit. Noting Norwegian Development Minister Eric Solheim's public appeal earlier today for the Liberation Tigers of Tamil (LTTE) and the Government of Sri Lanka (GSL) forces to immediately "stop the offensive operations," Hanssen-Bauer provided a bleak analysis of the current Sri Lanka situation. The Special Envoy will visit Sri Lanka on August 4, focusing on discussing the Sri Lanka Monitoring Mission (SLMM) composition.

Lacking Strategic Vision; Military and Political Situation

- 12. (C) Hanssen-Bauer, recalling his recent telephone discussions with GSL President Rajapaksa, voiced concerns that the President's day-to-day operations "lacked a clear strategy." The Special Envoy believes neither party has the military capacity (with the exception of the LTTE's presence in the east) to dominate the other. In particular, he notes that GSL forces are "wrapped up" in the LTTE's blockage of the water sluice south of Trimcomalee. According to Hanssen-Bauer the LTTE, after gaining ground in the east, may be tempted to capitalize on their military achievements and restore their former eastern military positions. He is concerned that the LTTE's eastern advances may be a sign of a major military operation in the works. In noting how the military situation should de-escalate, Hanssen-Bauer believes that the LTTE must "open the (water sluice) gates." He also recognizes and appreciates the long-standing U.S. concerns that the LTTE stop their use of claymore mines.
- 13. (C) Politically, the Special Envoy believes that both the LTTE and GSL leadership are being dominated by military influences. With respect to the GSL, the President is dependent on the Janatha Vimukthi Peremuna (JVP). Attempts to get the United National Party (UNP) into the current governmental power structure have not been possible. He alluded that the JVP's conditions for joining with the government have been "highly problematic." Politically, the Special Envoy also warns that the GSL must deal with the Karuna faction.

SLMM Composition

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¶4. (C) Hanssen-Bauer's impending visit to Sri Lanka will focus largely on the SLMM composition issue. Hanssen-Bauer states that the GSL continues to urge the SLMM's EU members (Sweden, Finland and Denmark) to "not withdraw" and "give in" to LTTE demands. Aside from closing the "whole thing,"

Hanssen-Bauer sees two distinct possibilities concerning the SLMM. First, the SLMM could continue operating with minimal staffing (three international observers staffing offices), with a limited increased presence by Norway and Iceland (from approximately 19 members to 30).

15. (C) Alternatively, new member countries could be invited to replace the Nordic EU members, which would require amending the Cease Fire Agreement (CFA). Potential volunteer countries include Switzerland and New Zealand (with the added possibility of South Africa). The GSL prefers additional members from the Middle East which the Special Envoy suggests as unlikely. He emphasized that any new SLMM member must meet with the approval of India. He is also quick to point out that any such amendment must be limited to the SLMM's composition—and not be an invitation to renegotiate the entire CFA. The GSL will conduct meetings on the issue if the LTTE agrees to attend (and is not currently willing to do so). He feels that neither party wants the SLMM to "walk out."

## Bilateral Aid in Question?

16. (C) Hanssen-Bauer notes certain European rumblings that international bilateral aid to Sri Lanka may be reconsidered, given the precarious state of the peace process. He believes Japan is not willing to tie Sri Lankan aid with the progress of peace talks. As a practical matter, Hanssen-Bauer notes that military escalation will invariably impact any aid programs (e.g. military operations will destabilize NGO aid efforts and infrastructure projects).

## Next Steps - A Co-Chairs Meeting

(C) Hanssen-Bauer noted that AS Boucher floated the idea of a Co-Chairs meeting in line with a September UN General Assembly meeting. The Special Envoy feels this concept "is a good idea and should be explored," and should "logically" take place in the United States. Hanssen-Bauer called on the Co-Chairs to "join hands" and voice a "public, unified message" appealing to both the LTTE and GSL to show restraint. Given the EU listing of the LTTE as a terrorist organization, he noted a Brussels meeting would be unlikely. The Co-Chairs should "take stock of the current situation and evaluate how the parties have reacted to the appeals of the Tokyo Statement." Also, he believes that the Co-Chairs must Also, he believes that the Co-Chairs must decide as to how to approach India and advocate that country's increased participation in the peace process. He emphasized that the GSL must not be emboldened to believe that the U.S. will view the GSL's handling of the LTTE as similar to Israel's actions in Lebanon. He asked that the U.S. "make clear" that it clearly supports the Tokyo Statement, and that any comparison to the U.S. support of Israel in Lebanon is misplaced and "unfortunate." Finally, he restated his appreciation of the continued U.S. role in Sri Lanka, and called his August 1 telephone conference with PDAS Steve Mann (ref) "very useful. Visit Oslo's Classified website: http://www.state.sgov.gov/p/eur/oslo/index.cf m

**JOHNSON**